eHealth Ontario

This changes everything

Ontario
eHealth Ontario

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Progress Report

We Are Improving Patient Care By...

Connecting and Sharing Health Data

1,970+ health care organizations connected to the provincial EHR

77,000+ health care professionals can access patient health information electronically

10 million or 3 out of 4 Ontario patients benefit from electronic medical record (EMR) systems delivered in-office, where 80% of patient care occurs

2.3 billion results in Ontario laboratories information system (OLIS)

18 million+ searches for patient records by 54,500 health care professionals in the last 12 months

Lab results are delivered to over 8,100 clinician EMRs resulting in more than 145,000 queries monthly

500,000 patient hospital reports received monthly

Enabling Faster and More Informed Clinical Decision-Making

94% of Ontario physicians using electronic record systems say that real-time access to the information helps improve care

69% of clinicians report OLIS access prevented ordering of unnecessary duplicate lab tests

36.5% decrease reported in patient follow-up visits thanks to OLIS

Enhancing Access to Life-Saving Resources and Information

100% of hospital sites can share diagnostic images and reports digitally within their region

12.5 million new DI exams stored annually by 129 organizations

3.2 million DI exams retrieved annually

24/7/365 remote access to neurology specialists for remote neurotrauma consultations

35,000+ neuro consultations for stroke victims and others take place annually across Ontario

100% of Ontario hospitals and emergency rooms can access the complete medication history of all senior citizens – helping to prevent adverse drug reactions among vulnerable individuals

Developing Secure Systems to Facilitate Information Exchange

Secure, closely monitored, scalable and fully backed-up data centres operating with a 99.95% uptime average and using state-of-the-art technology designed specifically for health care requirements

300,000+ mailboxes are used by connected clinicians, enabling faster patient consultations and exchange of information

Welcome

from the Chair and CEO

Raymond V. Hession
Chair

Cynthia Morton
Chief Executive Officer

Right now, health care providers can quickly access and share results of lab tests and diagnostic imaging exams, check a database at the touch of a button to ensure their elderly patients won't have an adverse drug reaction and more easily transition patients to other care providers in the community. Patients are receiving better follow-up care when they leave the hospital, thanks to their discharge summaries being shared instantly with their primary care teams – faster than they can get home from the hospital. These are examples of the power of eHealth Ontario at work.

In 2015/16, the Ministry of Health and Long-Term Care's *Patients First: Action Plan for Health Care* set the strategy for the next phase of health care system transformation, with a focus on four areas: improving access; connecting services; supporting people and patients; and protecting the health care system, sustaining it for years to come. For its part, eHealth Ontario is helping deliver better care by providing clinicians and other providers with comprehensive, integrated and coordinated patient health information when and where they need it.

Our story is one of remarkable achievement. The choices made in Ontario years ago have proven to be the foundation of an enduring system – one built on local, regional and now provincial assets being woven into a coherent and secure provincial system that benefits patients throughout Ontario. By the end of this fiscal year, 77,000 care providers and almost 2,000 health organizations across the province were connected to the electronic health record. It is a system made up of many elements – electronic highways on which the data flows, repositories where information accumulates and is stored, and standards to ensure clinicians can connect in an interoperable setting – all anchored by solid

security and identity management programs. It is a system that will continue to evolve as patients' expectations change and technology advances.

eHealth Ontario is at a point where we can claim that the foundational elements of our mandate are in place and connected to each other. Our provincial data repositories are interoperable and effectively record lab information, diagnostic imaging information and a variety of other clinical data. We're making it easy for clinicians to view these records in a secure way through an integrated access layer, or connected backbone, which provides them with a single connection point for all electronic health record services.

And health care providers now have a variety of ways to access patient data. Whether in a doctor's office, hospital or community care facility, they can retrieve data or enter new information into their patient's health record through an electronic medical record system, hospital information systems, regional viewers or the eHealth web portal. We're now putting up-to-date information in the hands of clinicians (and soon, patients), and *this has the power to change everything.*

The more practitioners who contribute to and use the electronic health record, the greater its value for delivering better care, realizing patient benefits, and reducing process duplication and costs.

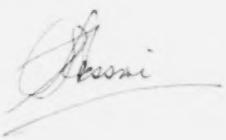
We know that what technology offers today will evolve tomorrow. So while we've already seen some remarkable transformation in patient care as a result of our work, we know that there will be new opportunities in the future, including an inevitable shift that will see health care practitioners and patients sharing electronic health information and care planning.

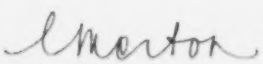
In the coming year, we will provide new digital solutions to enhance patient care, including prescription drug information that will be tracked for all Ontario patients, so that a patient's medication history is readily available and providers can make more informed decisions. We are also working to ensure that patients will have access to their own health information to enable self-directed wellness and care.

eHealth Ontario will continue to remain focused on enabling substantial change to the delivery of health care by improving operational performance and meaningful use. We are committed to delivering on the vision that will see all patients' health care information follow them wherever their health care journey takes them, so they will receive better and safer quality care faster than ever before.

We acknowledge the extraordinary work of the men and women of eHealth Ontario and the many partners who have contributed so successfully to the accomplishments of the past several years. We also wish to acknowledge the steady stewardship of the agency's board of directors throughout the complex development process.

Respectfully,





Raymond V. Hession
Chair
June 2016

Cynthia Morton
Chief Executive Officer
June 2016

Your Medical Life Story

From the day you are born, every interaction you have with the health care system in Ontario is captured and stored: childhood immunizations; regular checkups with your family doctor, clinicians and other health care providers; your trip to the emergency room one night; or the specialist you turn to in challenging times.

The digital records generated by these life events provide valuable data for health care professionals, ranging from your family medical history to prescription drug reactions to test results that inform treatment plans – or even save your life.

Just a decade or so ago, it would have been a distant dream for health care providers to quickly access all that information about a patient. Today, electronic health records are a reality.

The Electronic Health Record Is Here

Created in 2008, eHealth Ontario is an agency mandated by the Ministry of Health and Long-Term Care (the Ministry) to help the health care community make patient health care information available digitally. Acting as a technology systems integrator and guiding force, eHealth Ontario has now connected, and continues to expand, the foundational elements necessary to provide a secure and shareable digital record through a variety of systems and tools.

While building a patient health information system is an ongoing effort, it is already providing significant clinical value. Regardless of where your health data was captured, care providers can rapidly access and share results of lab tests and DI exams, check a database to ensure you won't have an adverse drug reaction, promptly review hospital discharge summaries in your family physician's office, transition care to other care providers in the community or even consult specialists remotely.

With millions of citizens benefiting from the work and investments of the Ministry, eHealth Ontario and valued partners, we are now focused on enhancing benefits to patients by improving their access to electronic records and increasing the amount of valuable patient data these records hold.

The Road to Today's Digital Health Records

A decade and a half ago, it was evident that the health care sector wasn't keeping up with other industries – such as the financial industry; and online banking, tourism and travel agencies – which were using technology to provide better quality service. Health care practitioners were still relying on paper-based records, which were slow to send and receive, difficult to interpret, and more easily lost or viewed by unauthorized individuals. Ultimately, the system in place at the time wasn't supporting patients or clinicians adequately, so eHealth Ontario was created to help design a connected IT system that leveraged existing assets, consolidated billions of individual pieces of health care information and ultimately improved the delivery of health care to the 13.6 million people of Ontario.

Smart Systems for Health Agency, which later transitioned to eHealth Ontario, began work in 2002 to develop a sophisticated infrastructure and clinically valuable tools that would ensure the privacy and security of personal information and personal health information, while enabling near-instantaneous access to patients' ehealth care records when and where they are needed. Connecting thousands of different IT systems and billions of existing health care records across the province has involved many steps along the way, and required numerous technology upgrades and innovative solutions. The result of these years of work is today's electronic health record system – one that is now benefiting patients, clinicians and the entire provincial health care system.

Electronic Health Information Defined

Electronic Health Record (EHR): Secure and private record of your health history, all in one place, available digitally to authorized health care providers anytime to support high-quality care. It contains lab, drug, DI and clinical health information from hospitals, community care clinics, family doctors and other providers.

Electronic Medical Record (EMR) Systems: Software that physicians use to collect, manage and store your health information, which can replace the paper files your doctor kept in filing cabinets. Over 11,650 clinicians are using or readying to use this software in their practices.

ConnectingOntario

ConnectingOntario leverages local, regional and provincial assets – connecting them to improve patient care and clinical efficiencies.

The provincial solution has been deployed, and is being rolled out to additional sites in three referral areas:

- Greater Toronto Area (cGTA)
- South West Ontario (cSWO)
- Northern and Eastern Ontario (cNEO)

Then

Smart Systems for Health Agency (SSHA) begins building connected backbone for ehealth information exchange

ONE Network is launched, allowing health care providers to securely share and access patient information

ONE Mail, Ontario's first secure email network for health care providers, is launched, enabling the secure exchange of patient information

ONE ID, an identity and access management system, is implemented, allowing health care providers to access all patient data securely through network services

Drug Profile Viewer gives hospitals access to medication history of patients under the Ontario Drug Benefits and Trillium Drug programs

ONE Portal is launched to provide a single point of access for collaboration tools, patient data and health care applications

eHealth Ontario is created, merging the Ministry's eHealth program with SSHA

2002 | 2003–2004 | 2005–2007 | 2008

NOW

550 health care organizations, including 100% of hospitals, connected via secure high-speed fibre optic network

8,500 health care organizations and 300,000 users are able to quickly and securely consult on diagnoses and share information

70,000 accounts created in acute care, community care, primary care and public health sites

100% of emergency rooms and hospitals are able to access drug profiles for 2.2 million Ontario seniors, avoiding duplicate prescriptions and adverse reactions

Clinics, hospitals, pharmacies and other points of care province-wide are able to access a robust suite of tools via the portal to provide better care

Now

Physician EMR adoption program begins rollout

Hospital Report Manager begins sending consultation reports, tests and discharges summaries directly to physician EMR systems

Emergency Neuro Image Transfer System is launched, helping revolutionize neurological diagnosis and care in Ontario

Regional Integration begins connecting three main hubs – connectingGreaterTorontoArea (cGTA), connectingSouthWestOntario (cSWO) and connectingNorthernandEasternOntario (cNEO)

Ontario Laboratories Information System goes live

Diagnostic Imaging central repositories are created, allowing clinicians to access reports, as well as CT scans, ultrasounds, MRIs, mammograms and X-rays

Provincial Client Registry begins organizing information to ensure clinicians access the right records for the right patient via a single authoritative source

Provincial Provider Registry is launched to authenticate Ontario's health care professionals and organizations so they can access the system

2009 | 2010–2011 | 2012–2013 | 2014 | 2015–2016

NOW

11,650 clinicians are connected, eliminating the need for time-consuming, bulky paper records, and allowing patient information to be shared across their practices as well as access to other resources such as hospital reports

Ontario physicians receive 500,000 hospital reports in EMR systems every month; clinicians have complete patient history and can make more informed decisions

All 100 acute care facilities can remotely access a neurosurgeon 24/7, allowing faster treatment and often eliminating travel time

Over 77,000 care providers, 1,970 organizations, all hospitals in connectingSouthWestOntario (cSWO) and 50% of hospitals in connectingGTA (cGTA) are connected to the EHR

More than 85% of hospitals, community and public health laboratories, and related practitioners are connected and can quickly access patient test results 24/7

Reports are available to all 210 hospital sites

98% of Ontarians are represented

86% of regulated health care providers are represented

EHR Connectivity Strategy is published, providing health care stakeholders with a path for creating and sharing secure, cost-effective, provincially integrated EHR

Interoperability Standards are published to ensure network-wide sharing capability for all new and existing province-wide assets

Asset Inventory Database is created, cataloguing all ehealth assets in Ontario, to guide network investment and design

Ontario Health Care Costs among Canada's Lowest...

Despite being the most populous province, and having Canada's most advanced ehealth system, Ontario spends the **third lowest** per capita on annual government health care for citizens ($3,749), with only B.C. ($3,677) and Québec ($3,479) slightly lower.

Source: Canadian Institute for Health Information

...But, Demands on Health Care System Rising

With 13.6 million citizens and a provincial health care budget in excess of $50 billion, the longer-living population itself underlines the need for more efficient care solutions:

- Seniors will represent **about 25%** of the population by **2041**
- **49%** of adults with illnesses are aged 65–79 years
- **59%** aged 80 years or more have **at least two** illnesses
- Average health care spend on those over 80 years old is **nine times** the amount spent on someone between 1 and 64 years of age

Source: Canadian Institute for Health Information

Patients Want Digital Solutions

- **60%** of patients are willing to have video visits with physicians
- **21%** have used a mobile phone to renew a prescription
- **88%** would share personal data from apps or devices to find new or customized treatments

Source: HRI Consumer Survey, PwC, 2015 and HRI Clinician Workforce Survey, PwC, 2014 and 2015

Patients Are Saying. . .

"Because I've had cancer so many times and chemotherapy so many times, I don't remember everything as well as I should. The fact that my family doctor can track my medical history and have a complete picture, to me is the most important thing."

Kim S.
Patient

"If I have a problem and am taken to the hospital, they can diagnose right away instead of waiting for [my health information] or putting me through tests. This makes me feel very confident in my medical health system."

Don H.
Patient

"I really do feel very grateful that Ontario is connecting patient files and patient priorities for more efficient service. More timely intervention, I think, will actually give better care."

Miriam C.
Patient

"Now, [my doctor] can look up the information instantaneously and care for me immediately to give me the best results."

Leanne B.
Patient

Clinical Engagement

Feedback from the Front Lines

The integrated systems that provide access to your digital health record have been built and delivered with the robust engagement of clinicians, and consultation with the health care provider community. This ensures value, encourages adoption and maintains our alignment with provincial ehealth priorities.

eHealth Ontario recognizes the importance of the clinician community's buy-in and expertise. Through our regional clinical working groups, and most recently our provincial clinical advisory council, we work with the health care community to enhance decision-making.

The 20-member council consists of medical professionals from across the province. Meeting quarterly, the clinician council helps ensure our investments in technology and solutions achieve the best value for money. In helping to set our clinical priorities in digital health record planning, the clinician council is also important in engaging physicians as champions of ehealth.

The regional clinical working group chairs participate on the clinical advisory council to ensure coordinated discussions among clinicians.

Improving the Clinical Experience

While enhancing our connected technology backbone and growing critical mass in user adoption rates, we must also develop and roll out tools and services that are useful to clinicians and their patients.

Ultimately, input from the clinician council and working groups, as well as from other clinicians in the field, helps determine what system metrics are used in benefits realization; assists in developing practical frameworks for solutions; and ensures clinical, value-driven planning, benefits monitoring and measurement.

The "clinician's voice" plays a vital role in developing our future road map. Our focus on increasing feedback from health care providers has resulted in some clear messages from our clinician stakeholders, including the need to increase input from the three regional clinical working groups into all of our products and services. We are responding to the needs of clinicians with products like the provincial laboratory flow sheet and the advancement of the primary care clinical document repository pilot. We are now in the process of strengthening our clinical input and governance model to ensure that clinicians' voices are reflected across all the work that we do. We have also responded to clinicians' need for an approach to measuring clinical value and performance. Working with health care providers, and informed by the Minister's clinician-focused priorities, we will leverage our existing benefits evaluation work to deliver, measure and report on these important metrics.

Clinicians Are Saying...

"With ConnectingOntario, [the] emergency physician, the attending staff, the nurses that are assessing the patient through the hospital, would have access to all [patient]... information through the viewer and be able to get ... [that] information ready for the emergency room doctor."

Dr. Thérèse Hodgson
Family Physician, Connexion Family Health Team

"When I log in to ClinicalConnect, I get a one-stop shop of medical records, consultation notes, labs, pathology, radiology and diagnostic imaging."

Dr. Rafi Setrak
Niagara Health System

"As a patient and clinician, I am confident that the information on the connectingGTA interface is secure and can be trusted. It allows the clinician to focus on clinical decision-making."

Dr. Naresh Mohan
Chief of Staff, Rouge Valley Health System

Ontario

2015/16 Business Plan and Achievements At-a-Glance

Transforming Health Care

As the system integrator and service provider for Ontario's electronic health record, we ensure that health care practitioners can access electronic information to help them provide better care for their patients.

In 2015/16, the Ministry reaffirmed its commitment to put patients at the centre of the health care system. The *Patients First: Action Plan for Health Care* sets out the government's framework for the next phase of health care system transformation, focusing on four elements of the transformation agenda: improving access; connecting services; supporting people and patients; and protecting the health care system, sustaining it for years to come.

We are well positioned to implement the *Action Plan* by providing clinicians with integrated, coordinated health information when and where they need it. Having rapid access to complete, up-to-date and accurate information puts providers in a better position to work with their patients and make more timely and informed decisions. In addition, as the province moves to provide data access to patients and their caregivers, both groups will be empowered to participate more fully in their health care journey.

eHealth Ontario's Evolution

In 2015/16, we continued building and integrating foundational, province-wide repositories and connected backbones to allow secure clinician access and sharing of patient health information from hospitals to doctors' offices to community agencies and long-term-care homes – across Ontario. With the substantial completion of most products initially mandated by the government, the agency is evolving from a "one asset at a time" model of planning, delivery and adoption to a structure based on the best practice models of system integration used by leading health care jurisdictions and private sector technology companies. That is, a more holistic approach organized by function, and focused on sustaining assets, while also seeking out opportunities to leverage regional assets that deliver significant net benefits.

With an overall goal to provide first-rate service to all clinicians and patients, our 2015/16 annual business plan outlined five clearly defined priorities:

1. Increased connectivity between different systems that make up the EHR to ensure timely, safe and integrated sharing of patient data
2. Comprehensive, quality health information supporting clinician decision-making and case management
3. A thorough and affordable plan for sustainability of the EHR
4. Appropriate capacity to lead the integration of EHRs across Ontario
5. Reductions in costs while enhancing the quality of patient care through more efficient and comprehensive information sharing.

The benefits Ontarians are reaping from these priorities are set out as follows...

Priority 1

Finish building and connecting ehealth systems to ensure timely, safe and integrated sharing of patient data

2015/16 Accomplishments

Clinician Access up 25% in the GTA

Over 41,000 clinicians in the Greater Toronto Area (GTA) now have access to digital health records – a 25% increase over the previous year. About 51% of Ontario's population resides in the GTA. Health care providers can access digital records within 75 health care organizations, including hospitals and Community Care Access Centres (CCACs) and the majority of the region's acute care centres, the specialty hospitals that attract high volumes of patient referrals for specialty treatment from across Ontario.

22% More Centres Have Access in South West Ontario

ConnectingSouthWestOntario (cSWO) has now expanded access to 100% of the hospitals and community sector organizations (including CCACs), covering 36,000 clinicians in the region.

Ontario's investments in EMRs created one of the largest EMR implementation projects in Canada

EMR adoption by community-based physicians

Family physicians with an EMR or currently implementing an EMR

More than 450 Clinicians Have Access to Patient Lab Information in Northern and Eastern Ontario

Participating clinicians now have 24/7 secure access to patient health information at two hospitals and two community sites through the connectingNorthernandEasternOntario (cNEO) clinical viewer.

Almost 48,000 Patient Queries per Day

Electronic patient queries by clinicians totalled 17.3 million in the past year.

Launching a New and Improved Fundamental Back-End System

The health integration access layer (HIAL) is the key to integrating electronic health record services. It is the connected backbone of the system, and an updated version, HIAL 2.0, went live in April 2016. The HIAL 2.0 offers improved scalability, thereby enabling us to meet the growing needs of our consumers and data providers; it utilizes reusable components that can be leveraged by other services; and it provides more comprehensive monitoring and reporting.

FRONT LINE STORIES

Enhancing Response Times

During a recent flu outbreak in Toronto, Anita Fast, Rapid Response Nurse for the Toronto Central CCAC, was able to access health information electronically to expedite discharge of patients by accessing their discharge plans and discharge medication – all of which helped her anticipate the support and follow-up care patients would need immediately after the discharge.

Fast Facts: EMRs

64%

of Ontario physicians suggest an in-office EMR provided "improved patient safety within a year."

Source: Southwestern Ontario Hospital Survey, 2014

Information at Our Fingertips

"The ConnectingOntario viewer will allow us access to information about our patients who moved to various regions in Northern and Eastern Ontario. Typically, we would spend a lot of time tracking down information about patients who have come from other hospitals. Using the viewer, we will be able to access that information without going through all those steps. We just point and click and the information would be available."

Dr. Aly Abdulla
Medical Director, Kingsway Health Centre

Supporting Mobile Immunization Clinics

The agency has a vital role in establishing the technology infrastructure to support a pilot for "Disconnected Use" within the immunization program, which will enable public health nurses to use a hand-held tablet to access medical records at off-site immunization clinics, such as schools or malls, where access to internet connectivity is limited.

Enhancing Identification of Care Providers

We are taking steps to enhance the identity-matching capabilities of the provincial provider registry, which is the authoritative record of professional and demographic information about regulated clinicians and health care organizations. The registry assigns a unique provincial identifier to each provider and maintains credential and regulatory information about them, including professional accreditations. This ensures that only those with proper authorization can access information. The data is also used to facilitate the accurate identification of provider persons and organizations that collect, use or disclose personal health information, and supports processes such as patient referrals and provider-to-provider communications.

Benefits of Sharing Information

The cSWO Regional Clinical Viewer, ClinicalConnect™, gives clinicians real-time access to patient information, test results and patient consults from linked hospitals and care facilities. It is particularly valuable to specialists or physicians receiving referrals of patients.

"Certain specialists only deal with one area, but I am responsible for coordinating and compiling all information," says Dr. David Vincent, a physician with North Woodlands Medical Centre. "So, I get a more complete picture of the patient. Having one source to go to – where I can pull this information in a timely manner – is a terrific benefit to myself and also to the patient."

Priority 2

Provide comprehensive, quality health information to support clinician decision-making and case management

2015/16 Accomplishments

OLIS Usage and Coverage Increases

An important source of clinical data and research, the Ontario laboratories information system (OLIS) now holds more than 2.3 billion lab test orders and results. The system stores over 68,000 different types of test results. With 97% of community lab results and 85% of the total lab results flowing through the repository and then on to care providers' electronic medical records, OLIS is now capturing over 40 million lab results monthly from 158 health care organizations across the province.

"We love OLIS and could not practise without it... It would be a lot of work for us to call labs for results."

– EMR Value Survey Respondent, November 2015

12.5 Million Diagnostic Imaging Exams Stored Annually

With every single Ontario hospital storing and securely sharing detailed DI exam results electronically in the province's world-class DI repository program, hospital clinicians everywhere have almost instantaneous access to X-rays, CT and nuclear medicine scans, ultrasounds, MRIs, mammograms and other digital imaging results. Ontario's four DI repositories collected over 12.5 million exam results from 129 organizations, with a monthly average of well over 3,000 active users.

FRONT LINE STORIES

Life-Saving Time Savings

"ClinicalConnect speaks for the patient," says Alexandria "Sandy" Moss, Registered Nurse at St. Catharines General Hospital. "The quicker we can have access to information, the quicker patients would be seen by the doctor. The use of ClinicalConnect has made the [Emergency Department] much more efficient. We no longer have to make phone calls or send faxes to ask for more information. This can make our job safer and easier, and allow us to give much more patient-centric care."

Extending DI Results to All Clinicians

The diagnostic imaging common service, currently in limited production release to 95 clinicians, enables the sharing and viewing of patients' diagnostic reports to both hospital and community-based health care providers – anytime, anywhere. These clinicians have access to millions of DI reports stored in the repository via the eHealth Ontario portal. In early release, the service was accessed 977 times through the provincial client registry, which is the authoritative source for the accurate identification and linking of electronic patient records. By the end of next year, this service will be broadened to include more access methods, such as integration with ConnectingOntario viewers, and many more users.

Avoiding Vaccine Wastage

We provided valuable infrastructure support for the Ministry in our deployment of the Panorama inventory management features. The inventory module helps reduce vaccine wastage and provides valuable statistical data for the future.

Fast Facts: OLIS

69%

of clinicians believe OLIS prevents unnecessary duplicate lab tests

51%

said there was a reduced wait time for lab test results

69%

experienced reduced administrative time to access a patient's lab tests conducted externally to the facility

Source: Southwestern Ontario Hospital Survey, 2014

FRONT LINE STORIES

Reducing the Number of Tests for Patients

A patient who had a procedure done at a downtown Toronto hospital visited William Osler Health System post-op. Dr. Asim Masood, Deputy Chief of Staff and Chief Medical Information Officer, was able to pull up test results instantly from the ClinicalConnect portal, which saved the patient from having to do extra blood work and, just as importantly, freed Dr. Masood to spend more time on care solutions.

Priority 3

A thorough and affordable plan for sustainability of accessible digital health information

2015/16 Accomplishments

Developing Interoperability Guidelines to Allow Systems to "Talk" to One Another

Ontario's *EHR Connectivity Strategy* was published to provide health care stakeholders with a path for creating and sharing a safe, cost-effective and provincially integrated IT system, which is required to build electronic health records. Based on extensive health care sector discussions, it focuses on identifying sources of electronic health record information, how to combine and share provincial and local electronic health record assets, and how to deliver data to those who need it. To guide system-wide investment and technology design decisions, we have created an online asset inventory that is critical to driving investment spending across the province in a unified direction. This searchable database catalogues existing ehealth assets in Ontario and sorts them into strategic and tactical assets.

Promoting Interoperability Standards to Ensure Personal Data Is Secure

A key part of the EHR asset inventory is the legal agreements registry, containing records of which health care providers or organizations have signed specific data-sharing agreements. The registry provides information to ensure that only those individuals and organizations who have signed appropriate agreements have access to the EHR. The consistent implementation of the privacy and security policy framework is further supported by privacy tools and practice guides. Additionally, standard legal frameworks have been developed and deployment is underway for data sharing and single sign-on agreements.

FRONT LINE STORIES

Raising Patient Comfort Levels

"The benefits of ClinicalConnect for me would be, first, that it allows me to access information very quickly," says Dr. Upe Mehan, a family physician at The Centre for Family Medicine (Family Health Team). "Second, the patient has the comfort of knowing that I have information right away… ClinicalConnect makes my practice efficient."

Managing Patient Consents in the Diagnostic Imaging Repositories

An important part of the diagnostic imaging common service, which enables sharing patient diagnostic reports with authorized health care providers, is the use of a patient consent management solution. We are continuing to support the enhancement of an e-solution that will ensure patient consent management expectations are always met.

Protecting the Electronic Health Record System

We have taken an enhanced and proactive stance in protecting electronic health records through the implementation of our monitoring and control technology program, an integral component of our identity, access and privacy program. In addition, we have a full-featured enterprise monitoring and alerting system to support the availability, capacity and performance of the electronic health record system.

Upgrading the Clinical Data Registry (CDR)

The CDR is a shared provincial repository of clinically relevant acute care data and documents, such as discharge summaries, patient assessment forms, clinical notes and transcribed reports or procedures reports, which will include data from about 50 health care organizations when complete. Enhancements have been made to the CDR to improve how quickly data may be pulled, and a new and scalable high-performance database infrastructure has been created to support future growth.

Long-Term Data Storage Enhancements

Depending on a patient's medical history, the electronic health record for an individual could range in size from less than one megabyte for a relatively healthy person to many gigabytes of data for patients with more complex records that include bigger files such as diagnostic images. To ensure storage capacity is available, we have now completed the design, procurement and implementation of a new storage solution to protect and support digital health data growth for the next seven years.

FRONT LINE STORIES

Sharing Resources to Treat Patients More Quickly

Dr. Naresh Mohan, General Surgeon and Chief of Staff for Rouge Valley Health System, had a walk-in post-op patient experiencing stomach pain who had recently been discharged from another hospital.

Using health information obtained digitally, Dr. Mohan instantly accessed test results from the other hospital, including a CAT scan performed the previous evening. It told him all he needed to know to determine a diagnosis and course of action without unnecessarily repeating tests.

"The benefits of connectingGTA are, number one, it provides a comprehensive look at the patient's history," says Dr. Mohan. "Number two, it prevents duplication of a number of tests, some of which can be dangerous in terms of radiation exposure, etc. Number three, it allows the clinician to focus on clinical decision-making. Pulling data from a number of sources is work that would've taken hours to do, and condensing it into seconds," he adds.

Priority 4

Ensure there is appropriate capacity to lead the design and delivery of the EHR across Ontario

2015/16 Accomplishments

Oversight for the EHR of the Future

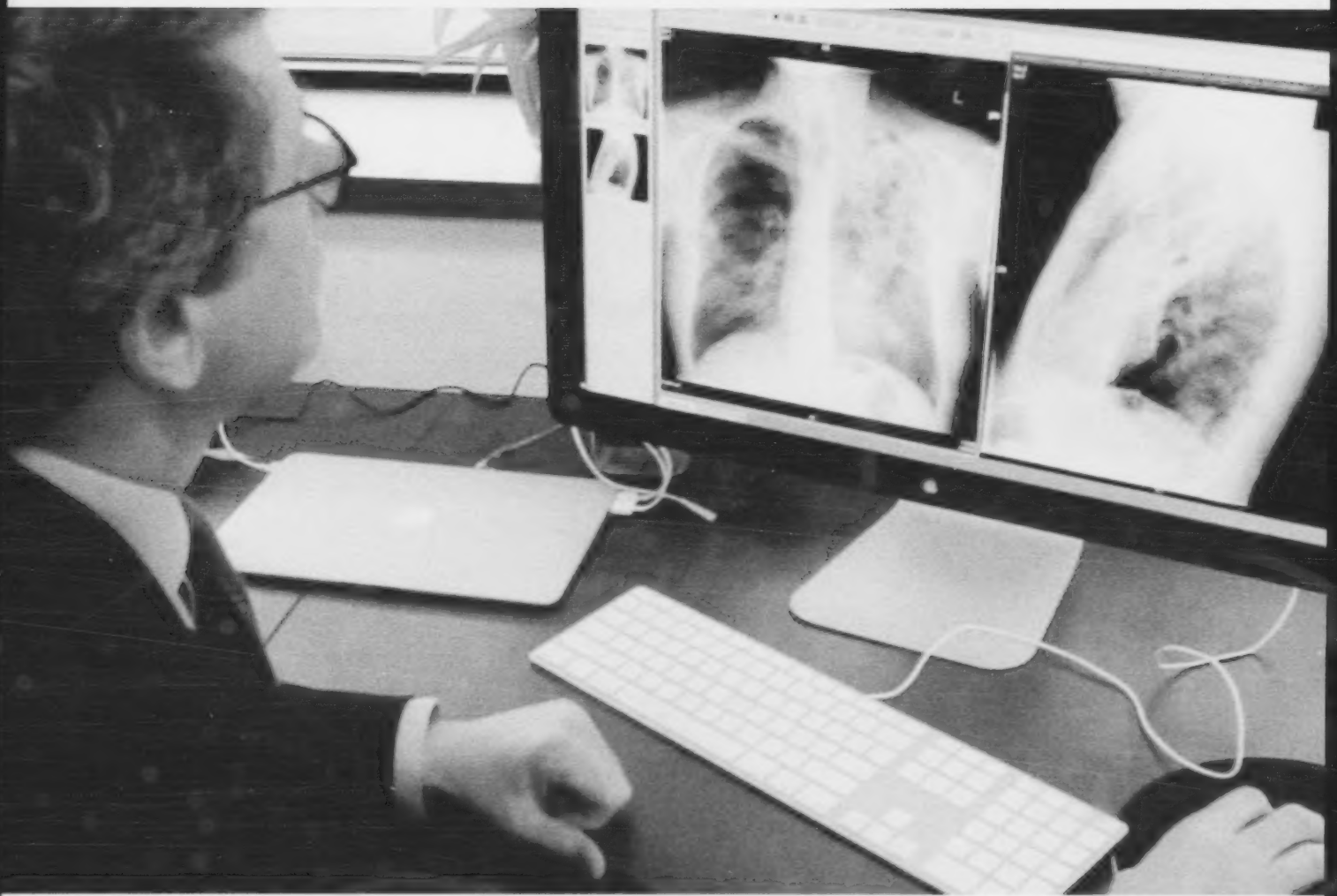
Like the planning that goes into a modern city infrastructure, we are in the process of creating an EHR roadmap to define the timelines for development and deployment of all its components. The roadmap will help to ensure oversight and management of key agency milestones to support future delivery by setting clear priorities and removing delivery barriers. This includes putting into place a financial reporter to provide management with a clear view of budget expenditures and forecasts, and to ensure sound fiscal management of resources.

Continuous Disaster Recovery and Continuity Planning

Our technology and operations group continues to monitor system capacity, and to ensure the infrastructure in place is sufficient and running securely 24/7/365 with full disaster recovery capabilities. Data and applications, for example, are backed up on a regular basis, and restored in case of operational incidents. We also have a comprehensive disaster recovery and business continuity plan in place. Monitored refresher training in both areas is provided to relevant personnel periodically.

Improving Front Line User Support

Our enterprise service desk has been outsourced, providing us and our stakeholders with an improved and cost-effective first line of support for both technical and business services. The new service offers closely-monitored service levels, scalable capacity and advanced call centre technology.



Priority 5

Enhance the quality of patient care through more efficient and comprehensive information sharing

2015/16 Accomplishments

Leveraging Regional Resources across the Province

The groundwork was completed to allow cNEO, covering 20% of the province's population, to access the same network tools and services for digital health records as cGTA – significantly reducing duplication of technologies and services, and making full use of resources based in specific regions across the province.

Simplifying Secure System Access

Speeding up access to patient information across a number of systems, while ensuring maximum online security is the goal of a pilot project now underway at The Ottawa Hospital and in the South West Ontario region. The pilot allows for a single sign-on and the use of a "federated identity," which securely links an authorized user's electronic identity and attributes across multiple distinct identity management systems.

Patient Consent Management System Up and Running across Ontario

A province-wide consent management solution is now available to all services through the health integration access layer (HIAL), or the connected backbone, which acts as a data broker in the creation of an individual's electronic health record by transforming or standardizing electronic sharing of a patient's clinical information among authorized health care providers. Without the connected backbone, the design and delivery of an integrated health record would be significantly more complex and costly.

Strengthening Communicable Disease Tracking Capabilities

The Ministry's provincial integrated public health information system compiles case information from all Public Health Units on reportable communicable diseases for provincial and national surveillance. The system, for which we provide data hosting services, is an important tool for managing communicable disease case follow-ups, as well as outbreak management affecting larger groups. In the past year, we upgraded the infrastructure to ensure the continued supportability of this valuable service.

Supporting OntarioMD Technology Initiatives

OntarioMD has been a critical partner in growing the adoption of electronic medical record systems in clinicians' offices, and with funding provided by eHealth Ontario from 2009 until 2015, over 11,650 clinicians have been supported to select, implement and use EMRs. OntarioMD is now responsible for delivering the EMR adoption program while we continue to provide ongoing infrastructure hosting support to OntarioMD for the Hospital Report Manager. Additionally, we consult with the Ministry and OntarioMD to develop data standards and the data quality framework needed to ensure consistency between EMRs and the EHR.

A Look Forward to 2016 and Beyond

Moving to Sustainment

With an interoperable electronic health record now substantively in place and working, our focus is to: 1) ensure ongoing value-for-money for provincial investments; 2) encourage continued adoption and use across the sector through high performance and clinical relevance; and 3) sustain the connected backbone needed to ensure the exchange of health information electronically is comprehensive and useful.

Each day, clinicians are actively contributing and accessing patient health data in the system, including lab test results, diagnostic images and prescription drug information. At the same time, we are constantly upgrading the technology that supports electronic health records to ensure interoperability and enhance data repositories exchanging information across the health care continuum.

Now, we are turning our attention to sustainment – ensuring every Ontarian who seeks medical care in the province is benefiting from digital health records through the tools, data and resources available for sharing across the province.

2016/17 Priorities: Enriching Our Patient Care Continuum

Ontario's *Patients First: Action Plan for Health Care* calls for a health care system that includes a focus on keeping citizens healthy; integrating care; shifting to primary, home and community care; and ensuring quality and transparency in investments. We and the province's EHR system as a whole are well positioned to provide clinicians with comprehensive, integrated health information where and when they need to support this patient care.

This coming year, we will support a wide array of external adoption efforts and build partnerships as we shift the focus of our priorities to sustainment and system capacity management, including:

1. **Drawing closure to the remaining EHR component build-outs and asset integrations, within road map timelines and budget**, including the integrated services program; identity, access and privacy; portal; Ontario laboratories information system; and diagnostic imaging.
2. **Reaching a total of 100,000+ acute and community clinicians connected to the EHR** and supporting an increase in active use.
3. **Increasing contributions of clinical patient data to repositories by an average of 30%.**
4. **Maximizing efficiency of all service delivery work**, including ensuring system availability at 99.9% uptime and continuing to significantly improve performance levels for end users.
5. **Providing advice and partnership in designing, then delivering, strategic ehealth initiatives**, including making plans to decommission, migrate off and consolidate assets as we refine our role as the EHR integrator.
6. **Providing responsive, efficient and professional corporate program support** by continuously monitoring operations for efficiencies, and ensuring we have the right resources to make progress on mandated projects.
7. **Beginning to implement a coherent technology plan across all our assets, ensuring long-term efficiency and performance reliability.**

We will accomplish these goals by organizing work into three portfolios: 1) connected backbones, 2) foundational data systems and 3) ongoing operations. Each portfolio will have defined "build and sustain" deliverables.

An asset will be considered built, for example, when it is being used actively by a large number of clinicians province-wide and is substantially contributing toward the EHR. Sustainment activities will include upgrades of technology supporting the electronic health records, including day-to-day operations as well as infrastructure and support services.

In 2016/17, all the "build" aspects of the foundational elements of our connected backbone will be completed, ensuring future sustainment. These include:

- ConnectingOntario (i.e., the Greater Toronto Area, South West Ontario, and Northern and Eastern Ontario)
- Provincial client registry
- Provincial provider registry
- Provincial common integration services
- Consent management technology asset
- Monitoring and control technology program

We will also work with the Ministry to explore ways to give patients access to their own health information, empowering them to be more actively engaged in their own health care journey.

By improving our technology, requiring adherence to mandatory interoperability standards, and boosting the value of digital health information with increasing contributions to the foundational elements, we will be able to expand access to a robust and reliable electronic health information exchange in all health care settings.

These opportunities will help evolve the current ehealth landscape in Ontario, allowing us to successfully sustain and enhance the systems we developed by ensuring continued adoption and use across the sector.

Four 2016 Health Care Sector Trends

Mobile Health Solutions

Calling it "care in the palm of your hand," a 2015 PwC study foresees more health care will soon begin to move into consumers' hands via tablets and smartphones.

Care in the Community

As health care providers move to "value-based models," health systems will "pursue lower-cost settings more aggressively than before while employing creative approaches to distributing care."

Leveraging Databases to Improve Consumer Health

PwC forecasts "new databases and database tools" will allow care providers to "analyze data from many sources in novel ways, finally unlocking insights embedded in the reams of information being collected about health consumers."

Source: Top health industry issues of 2016, *PwC Health Research Institute (December 2015)*

Leadership

Board of Directors

	Appointed
Raymond V. Hession, Chair	February 2010 to January 2017
Cynthia Morton (non-voting)	September 2014 to September 2017
Michael Foulkes	August 2012 to August 2016
Veronica S. Maidman	April 2011 to April 2018
Sue Matthews	December 2009 to January 2018
Maureen O'Neil	March 2010 to March 2018
Dr. Peter Rossos	January 2016 to January 2019
Heather Sherrard	September 2009 to September 2016
Dr. George Southey	August 2012 to August 2016
Lorelle Taylor	October 2015 to October 2018

Senior Management

Cynthia Morton
Chief Executive Officer

Steve Gesner
Executive Vice President, Technology and Operations

Allan Gunn
Chief Financial Officer/Chief Administrative Officer (Acting)

Samantha Liscio
Senior Vice President, Enterprise Planning and Reporting

Pamela Spencer
General Counsel and Corporate Secretary

Abigail Carter-Langford
Chief Privacy Officer and Vice President

Tracy Dallaire
Chief Internal Auditor

Peter A.J. Bascom
Chief Architect

Rob Basque
Senior Vice President, Infrastructure

Sime Pavlovic
Vice President, Human Resources

Adina Saposnik
Vice President, Technology Planning and Information Services

Jim Scott
Vice President, Electronic Health Record (EHR) Services

Doug Watt
Vice President, Strategic Sourcing and Vendor Management

2015-2016 Financials

Management's Responsibility for Financial Information

Management and the Board of Directors are responsible for the financial statements and all other information presented in the Annual Report. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and where appropriate, include amounts based on management's best estimates and judgment. Management is responsible for the integrity and objectivity of these financial statements. The financial information presented elsewhere in this Annual Report is consistent with that in the financial statements in all material respects.

eHealth Ontario is dedicated to the highest standards of integrity in its business. To safeguard the agency's assets and assure the reliability of financial information, the agency follows sound management practices and procedures, and maintains appropriate financial reporting systems and controls.

The Board of Directors ensures that management fulfills its responsibilities for financial information and internal controls. The financial statements have been reviewed by eHealth Ontario's Finance and Audit Committee and approved by the Board of Directors.

The financial statements have been examined by Ernst & Young LLP, independent external auditors appointed by the Board of Directors. The external auditors' responsibility is to examine the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express their opinion on whether the financial statements are fairly presented in accordance with Canadian public sector accounting standards. The Independent Auditor's Report outlines the scope of the Auditor's examination and opinion.

Cynthia Morton
Chief Executive Officer

Financial Commentary

The financial commentary describes the financial position and results of operations of eHealth Ontario ("the agency") for the fiscal year ended March 31, 2016. This commentary should be read in conjunction with the financial statements and accompanying notes, which have been prepared in accordance with Canadian public sector accounting standards. Management and the Board of Directors are responsible for the information presented in the Annual Report.

Funding

eHealth Ontario receives all of its funding from the Ministry of Health and Long-Term Care. Under its establishing regulation as an operational services agency, it is prohibited from receiving funding from any other source. eHealth Ontario does not charge health care providers for any products or services.

As noted in the Statement of Operations and Changes in Net Deficiency, and the Notes to the Financial Statements, funding for reporting purposes has been separated into government grants and capital contributions. Capital contributions relate to the purchase of property, equipment and software that are amortized over their useful lives. For FY 2015/16, the amortized expenditure was $21.7 million compared to $19.3 million in the prior year.

To support eHealth Ontario's general operations and projects, the agency received $300.7 million in committed funding in FY 2015/16 compared to $358.2 million in FY 2014/15.

FY 2015/16 expenditures

Total expenditures, including capital spend, were $312.7 million (operating expenditures – $280.0 million; capital spend – $32.7 million) in FY 2015/16 compared to $389.8 million (operating expenditures – $363.3 million; capital spend – $26.5 million) in FY 2014/15.

The Statement of Operations and Changes in Net Deficiency (see excerpt in Table 1 below) reflects the total expenses, with the exception of total capital expenditures, in the year. It includes only the portion of capital amortized within the year.

Table 1: Expenses	FY 2015/16 (in millions)	FY 2014/15 (in millions)
Expenses		
Core business	$109.0	$194.0
Technology services	112.4	100.2
Corporate functions & shared support services	58.6	69.1
Operating expenditures	**280.0**	**363.3**
Amortization of capital assets	21.7	19.3
Total expenses	**301.7**	**382.6**

Cash flow and financial position

Cash used in operating activities was $14.8 million in FY 2015/16 compared to $10.9 million in FY 2014/15. This variance is due to the timing of ministry funding and the payment of expenditures.

Cash used to purchase capital assets increased by $16.0 million to $32.7 million in FY 2015/16 due to the timing of payments in respect of these purchases.

Significant changes in the year end balances on the Statement of Financial Position were caused by the timing of ministry funding and the timing of project expenditures.

Independent Auditors' Report

To the Board of Directors of eHealth Ontario

We have audited the accompanying financial statements of eHealth Ontario, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and changes in net deficiency and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of eHealth Ontario as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
June 23, 2016

Statement of Financial Position

(in thousands of dollars)

As at March 31	2016 $	2015 $
Assets		
Current		
Cash	**3,957**	18,869
Prepaid expenses	**9,921**	7,279
Due from Ministry of Health and Long-Term Care (note 3(b))	**54,657**	28,010
HST receivable	**2,260**	4,556
Total current assets	**70,795**	58,714
Capital assets, net (note 4)	**80,980**	70,033
Prepaid expenses	**2,666**	1,206
	154,441	129,953
Liabilities and Net Deficiency		
Current		
Accounts payable and accrued liabilities (notes 6 and 7(e))	**73,461**	75,727
Total current liabilities	**73,461**	75,727
Deferred capital contributions (note 5)	**80,980**	70,033
Total liabilities	**154,441**	145,760
Commitments and contingencies (note 7)		
Net deficiency (note 1)	**—**	(15,807)
	154,441	129,953

See accompanying notes

On behalf of the Board:

Cynthia Morton
Chief Executive Officer

Raymond V. Hession
Chair of the Board of Directors

Statement of Operations and Changes in Net Deficiency

(in thousands of dollars)

Year ended March 31	2016 $	2015 $
Revenue		
Government grants (note 3(a))	**295,853**	347,519
Amortization of deferred capital contributions (note 5)	**21,711**	19,259
	317,564	366,778
Expenses (notes 6 and 8)		
Core business	**108,979**	194,000
Technology services	**112,446**	100,161
Corporate functions and shared services	**58,621**	69,165
	280,046	363,326
Amortization of capital assets (note 4)	**21,711**	19,259
	301,757	382,585
Excess (deficiency) of revenue over expenses for the year (note 1)	**15,807**	(15,807)
Net deficiency, beginning of year	**(15,807)**	—
Net deficiency, end of year	**—**	(15,807)

See accompanying notes

Statement of Cash Flows

(in thousands of dollars)

Year ended March 31	2016 $	2015 $
Operating Activities		
Excess (deficiency) of revenue over expenses for the year	**15,807**	(15,807)
Add (deduct) items not involving cash		
Amortization of deferred capital contributions	**(21,711)**	(19,259)
Amortization of capital assets	**21,711**	19,259
	15,807	(15,807)
Changes in non-cash working capital balances related to operations		
Prepaid expenses	**(4,102)**	5,083
HST receivable	**2,296**	4,117
Accounts payable and accrued liabilities (note 10)	**(2,225)**	26,992
Due from Ministry of Health and Long-Term Car	**(26,647)**	(31,308)
Cash used in operating activities	**(14,871)**	(10,923)
Capital Activities		
Purchase of capital assets (note 10)	**(32,699)**	(16,701)
Cash used in capital activities	**(32,699)**	(16,701)
Financing Activities		
Contributions used to fund capital assets	**32,658**	26,500
Cash provided by financing activities	**32,658**	26,500
Net decrease in cash during the year	**(14,912)**	(1,124)
Cash, beginning of year	**18,869**	19,993
Cash, end of year	**3,957**	18,869

See accompanying notes

Notes to Financial Statements

(In thousands of dollars)

1. NATURE OF OPERATIONS

eHealth Ontario is designated as an operational service agency established under the Ontario Regulation made under the Development Corporations Act (O. Reg. 43/02). Subsection 2(3) of O. Reg. 43/02 provides that eHealth Ontario is, for all purposes, an agency of Her Majesty within the meaning of the Crown Agency Act and its powers may be exercised only as an agency of Her Majesty. Subsection 6(1) of O. Reg. 43/02 provides that the Board of Directors is composed of the members appointed by the Lieutenant-Governor in Council on the recommendation of the Minister of Health and Long-Term Care. The Lieutenant-Governor in Council can appoint up to 12 members to eHealth Ontario's Board of Directors. Pursuant to Subsection 7(1) of O. Reg. 43/02 and subject to any directions given by the Minister of Health and Long-Term Care under Section 8, the affairs of eHealth Ontario are under the management and control of the Board of Directors. Subsection 9(1) of O. Reg. 43/02 provides that the Chief Executive Officer of eHealth Ontario be appointed by the Lieutenant-Governor in Council.

The objectives of eHealth Ontario are as follows:

(a) to provide eHealth Ontario services and related support for the effective and efficient planning, management and delivery of health care in Ontario;
(b) to develop eHealth Ontario services strategy and operational policy; and
(c) to protect the privacy of individuals whose personal information or personal health information is collected, transmitted, stored or exchanged by and through eHealth Ontario, in accordance with the Freedom of Information and Protection of Privacy Act, the Personal Health Information Protection Act, 2004 and any other applicable law (O. Reg. 339/08, s.4).

eHealth Ontario is funded by the Province of Ontario through the Ministry of Health and Long-Term Care (the "Ministry"). eHealth Ontario and the Ministry entered into an Accountability Agreement effective April 1, 2015 for a three-year period ending March 31, 2018. Any excess of revenue over expenses must be repaid in the following fiscal year. Any deficiency reduces the funding allocation in the following fiscal year.

As a Crown agency, eHealth Ontario is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with the Chartered Professional Accountants of Canada Public Sector Handbook, which sets out generally accepted accounting principles for government not-for-profit organizations in Canada. eHealth Ontario has chosen to use the standards for government not-for-profit organizations that include Sections PS 4200 to PS 4270. The significant accounting policies are summarized below.

Notes to Financial Statements

(in thousands of dollars)

REVENUE RECOGNITION

eHealth Ontario follows the deferral method of accounting for contributions. Contributions are recorded when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions with respect to the purchase of capital assets are recorded as deferred capital contributions when initially recorded in the accounts and are amortized to operations on the same basis as the related asset is amortized.

ALLOCATION OF EXPENSES

The costs of each function include the costs of personnel and other expenses that are directly related to the function. General support and other costs are included in shared services expenses.

CAPITAL ASSETS

Capital assets are recorded at cost, net of accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Computer hardware	**3 to 5 years**
Computer software	**3 to 10 years**
Furniture and office equipment	**5 years**
Leasehold improvements	**Over the term of the leases**

Capital assets that no longer have any long-term service potential for eHealth Ontario are written down to residual value, if any. The excess of the carrying value over the residual value of such assets is recognized as amortization in the statement of operations and changes in net deficiency. Internal labour costs are capitalized in connection with the development of information technology projects.

EMPLOYEE FUTURE BENEFITS

eHealth Ontario has a defined contribution pension plan for its employees. Under the plan, eHealth Ontario contributes an equal match to employees' contributions up to a maximum of 6% of their annual earnings. eHealth Ontario's contributions to the plan are expensed on an accrual basis.

FINANCIAL ASSETS AND LIABILITIES

eHealth Ontario initially measures its financial assets and liabilities at fair value. eHealth Ontario subsequently measures all its financial assets and liabilities at amortized cost, net of any provisions for impairment.

Financial assets and liabilities measured at amortized cost include cash, due from the Ministry of Health and Long-Term Care, HST receivable and accounts payable and accrued liabilities.

Notes to Financial Statements

(in thousands of dollars)

3. GOVERNMENT OF ONTARIO

(a) Funding from the Ministry recognized as revenue is calculated as follows:

	2016 $	2015 $
Funding for eHealth Ontario operating/capital expenditures	**221,076**	210,077
Funding for transfer payments to eHealth Ontario partners	**79,580**	148,073
Total funding	**300,656**	358,150
Amounts used to fund capital assets and recorded as deferred capital contributions (note 5)	**(32,658)**	(26,500)
Interest earned during the year repayable to the Ministry	**146**	289
Funding not received recorded as due from Ministry	**27,709**	15,580
Amount recognized as revenue	**295,853**	347,519

(b) The amount due from the Ministry consists of the following:

	2016 $	2015 $
Due from Ministry for administered programs (note 6(c))	**11,368**	12,430
Funding receivable	**43,289**	15,580
	54,657	28,010

The amount due from the Ministry is related to the purchase of certain hardware and software on its behalf by eHealth Ontario and labour and other operating costs related to services provided by eHealth Ontario.

Notes to Financial Statements

(in thousands of dollars)

4. CAPITAL ASSETS

	2016		
	Cost $	Accumulated amortization $	Net book value $
Computer hardware	**75,447**	**59,718**	**15,729**
Computer software	**115,657**	**66,822**	**48,835**
Furniture and office equipment	**6,978**	**5,876**	**1,102**
Leasehold improvements	**5,928**	**4,772**	**1,156**
Work-in-process	**14,158**	**—**	**14,158**
	218,168	**137,188**	**80,980**

	2015		
	Cost $	Accumulated amortization $	Net book value $
Computer hardware	66,688	53,262	13,426
Computer software	92,475	53,776	38,699
Furniture and office equipment	6,796	5,338	1,458
Leasehold improvements	5,913	4,210	1,703
Work-in-process	14,747	—	14,747
	186,619	116,586	70,033

In the current year, certain assets no longer in use with a total cost of $1,109 (2015 – $2,581), accumulated amortization of $1,081 (2015 – $2,228) and a net book value of $28 (2015 – $353) were written off and included in amortization of capital assets.

During the years ended March 31, 2016 and 2015, there were no impairment charges recognized to write-down work-in-process in connection with projects that were redefined.

Notes to Financial Statements

(in thousands of dollars)

5. DEFERRED CAPITAL CONTRIBUTIONS

	2016 $	2015 $
Balance, beginning of year	**70,033**	62,792
Contributions used to fund capital asset purchases (note 3(a))	**32,658**	26,500
Amortization	**(21,711)**	(19,259)
Balance, end of year	**80,980**	70,033

6. RELATED PARTY TRANSACTIONS

eHealth Ontario is controlled by the Province of Ontario through the Ministry and is therefore a related party to other organizations that are controlled by or subject to significant influence by the Province of Ontario. Transactions with related parties are outlined below.

(a) Transfer payment agreements

eHealth Ontario has entered into transfer payment agreements with various related parties. Under these agreements, eHealth Ontario makes payments to these parties once defined eligibility requirements have been met.

Core business expenses for the year include transfer payments to related parties as follows:

	2016 $	2015 $
Hospitals	**55,856**	76,021
Other health sector agencies and organizations	**523**	3,515
	56,379	79,536

At March 31, 2016, accounts payable and accrued liabilities include $20,075 (2015 – $5,222) payable to related parties under these agreements.

(b) Other expenses

During the year, Hydro One, the Ontario Ministry of Government Services and the Ministry of the Attorney General charged eHealth Ontario $30,160 (2015 – $30,267), $3,544 (2015 – $2,717) and $79 (2015 – $3), respectively, for the provision of services. In addition, Infrastructure Ontario charged $4,276 (2015 – $6,697) for the rental of office space and other services during the year. The Ministry of Finance charged $92 (2015 – $50) and Treasury Board Secretariat charged $215 (2015 – $95). Amounts paid to the Ministry of

Government Services are included in technology services expenses. All other amounts are included in corporate functions and shared services expenses.

At March 31, 2016, accounts payable and accrued liabilities include $5,665 (2015 – $2,474), $2,199 (2015 – $738), $1,160 (2015 – $1,296), $1 (2015 – $3), $nil (2015 – $15) and $197 (2015 – $95) payable to Hydro One, the Ontario Ministry of Government Services, Infrastructure Ontario, the Ministry of the Attorney General, the Ministry of Finance and Treasury Board Secretariat respectively.

(c) Administered programs

During the year, eHealth Ontario spent $11,368 (2015 – $12,430) on programs that it administers on behalf of the Ministry of Health and Long-Term Care. Amounts spent on these programs are recoverable from the Ministry (note 3(b)). Amounts are recorded net of recoveries and included in technology services expenses.

(d) Prototyping agreement

Under an arrangement with an Ontario college, eHealth Ontario spent $151 (2015 – nil) to develop prototypes and proof of concepts for the organization's electronic health record infrastructure. These costs are included in corporate functions and shared services expenses.

All related party transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. COMMITMENTS AND CONTINGENCIES

(a) eHealth Ontario has various multi-year contractual commitments for services. Payments required on these commitments are as follows:

	$
2017	**54,286**
2018	**14,138**
2019	**6,746**
2020	**2,234**
2021	**2,020**
2022 and thereafter	**505**
	79,929

Notes to Financial Statements

(in thousands of dollars)

(b) Ontario Realty Corporation, a Crown Corporation of the Province of Ontario, holds leases on the office space occupied by eHealth Ontario. eHealth Ontario is responsible for all of the operating lease payments. The payments required to the date of expiry are as follows:

	$
2017	**5,042**
2018	**5,123**
2019	**5,139**
2020	**5,139**
2021	**5,139**
2022 and thereafter	**8,458**
	34,040

(c) eHealth Ontario has entered into transfer payment agreements with eHealth Ontario partners that require future payments once defined eligibility requirements have been met. Work has begun under many of these arrangements and progress against the eligibility requirements is monitored regularly. Total future payments in connection with these contracts are approximately $47.7 million, of which $44.5 million will be paid to related parties as described in note 6(a). These payments are payable over the period ending December 31, 2019. Approximately $26.1 million of total future payments is expected to be paid in fiscal 2017.

(d) eHealth Ontario participates in the Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is a pooling of the public liability insurance risks of its members who are all Canadian not-for-profit health care organizations. All members of the HIROC pool pay annual premiums that are actuarially determined. All members are subject to assessment for losses, if any, experienced by the pool for the years in which they are members. No assessments have been made for the year ended March 31, 2016.

(e) In the normal course of operations, eHealth Ontario is subject to various claims and potential claims. Management has recorded its best estimate of the potential liability related to these claims where potential liability is likely and able to be estimated. In other cases, the ultimate outcome of the claims cannot be determined at this time.

Any additional losses related to claims will be recorded in the year during which the liability is able to be estimated or adjustments to any amount recorded are determined to be required.

Notes to Financial Statements

(in thousands of dollars)

8. EMPLOYEE FUTURE BENEFITS

eHealth Ontario has a defined contribution pension plan for its employees. eHealth Ontario's contributions to this plan during the year amounted to $3,796 (2015 – $3,642).

9. BOARD REMUNERATION

Total remuneration paid to members of the Board of Directors during the year was $54 (2015 – $94). Salary paid to members of the Board of Directors who are employees of the Government of Ontario are disclosed on the "Public Sector Salary Disclosure" listing on the Government of Ontario website.

10. SUPPLEMENTAL CASH FLOW INFORMATION

The change in accounts payable and accrued liabilities related to the purchase of capital assets for the year ended March 31, 2016 of $41 (2015 – $9,799) has been excluded from the statement of cash flows.

11. FINANCIAL INSTRUMENTS

CREDIT RISK

eHealth Ontario is exposed to credit risk in connection with its accounts receivable because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

eHealth Ontario manages and controls credit risk with respect to accounts receivable by only dealing with recognized, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis. As at March 31, 2016, there were no significant amounts that are past due or impaired.

LIQUIDITY RISK

eHealth Ontario is exposed to the risk that it will encounter difficulty in meeting obligations associated with its financial liabilities. eHealth Ontario derives all of its operating revenue from the Government of Ontario with no firm commitment of funding in future years. To manage liquidity risk, eHealth Ontario keeps sufficient resources readily available to meet its obligations.

Accounts payable mature within six months.

12. COMPARATIVE FINANCIAL STATEMENTS

Certain comparative figures have been reclassified from statements previously presented to conform to the presentation of the 2016 financial statements.

eHealth Ontario

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